



3015 (02-02-05)

ANNUAL REPORT

OF

Name: MELLEN WATER UTILITY

Principal Office: 102 E. BENNET
P.O. BOX 706
MELLEN, WI 54506

For the Year Ended: DECEMBER 31, 2005

WATER, ELECTRIC, OR JOINT UTILITY
TO
PUBLIC SERVICE COMMISSION OF WISCONSIN

P.O. Box 7854
Madison, WI 53707-7854
(608) 266-3766

This form is required under Wis. Stat. § 196.07. Failure to file the form by the statutory filing date can result in the imposition of a penalty under Wis. Stat. § 196.66. The penalty which can be imposed by this section of the statutes is a forfeiture of not less than \$25 nor more than \$5,000 for each violation. Each day subsequent to the filing date constitutes a separate and distinct violation. The filed form is available to the public and personally identifiable information may be used for purposes other than those related to public utility regulation.

SIGNATURE PAGE

I TINA GILGEN of
(Person responsible for accounts)

_____, MELLEN WATER UTILITY, certify that I
(Utility Name)

am the person responsible for accounts; that I have examined the following report and, to the best of my knowledge, information and belief, it is a correct statement of the business and affairs of said utility for the period covered by the report in respect to each and every matter set forth therein.

	04/01/2006
(Signature of person responsible for accounts)	(Date)

CLERK/TREASURER _____
(Title)

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IDENTIFICATION AND OWNERSHIP

Exact Utility Name: MELLENN WATER UTILITY

Utility Address: 102 E. BENNET
P.O. BOX 706
MELLENN, WI 54506

When was utility organized? 1/1/1962

Report any change in name:

Effective Date:

Utility Web Site:

Utility employee in charge of correspondence concerning this report:

Name: TINA GILGEN
Title: CLERK/TREASURER

Office Address:
102 E. BENNET
P.O. BOX 706
MELLENN, WI 54501

Telephone: (715) 274 - 2136

Fax Number: (715) 274 - 3707

E-mail Address:

Individual or firm, if other than utility employee, preparing this report:

Name: RANDALL H BEARD
Title: CPA

Office Address: WIPFLI LLP
43 A W DAVENPORT
RHINELANDER, WI 54501

Telephone: (715) 369 - 1040 EXT 40021

Fax Number: (715) 369 - 5407

E-mail Address: RBEARD@WIPFLI.COM

President, chairman, or head of utility commission/board or committee:

Name: HOWARD PETERS
Title: HEAD OF UTILITY COMMISSION

Office Address:
102 E BENNET
MELLENN, WI 54506

Telephone: (715) 274 - 2136

Fax Number:

E-mail Address:

Are records of utility audited by individuals or firms, other than utility employee? YES

IDENTIFICATION AND OWNERSHIP

Individual or firm, if other than utility employee, auditing utility records:

Name: RANDALL H BEARD**Title:** CPA**Office Address:** WIPFLI LLP
43 A W DAVENPORT
RHINELANDER, WI 54501**Telephone:** (715) 369 - 1040 EXT 40021**Fax Number:** (715) 369 - 5407**E-mail Address:** RBEARD@WIPFLI.COM**Date of most recent audit report:** 2/16/2006**Period covered by most recent audit:** JANUARY 1 - DECEMBER 31, 2005

Names and titles of utility management including manager or superintendent:

Name: MITCH MESKO JR.**Title:****Office Address:**
102 EAST BENNET
P.O. BOX 706
MELLEN, WI 54506**Telephone:** (715) 274 - 3707**Fax Number:** (715) 274 - 2136**E-mail Address:**

Name of utility commission/committee: MELLEN MUNICIPAL WATER UTILITY

Names of members of utility commission/committee:

GEORGE LAZORIK

KEITH MARKEE

HOWARD PETERS

Is sewer service rendered by the utility? YES**If "yes," has the municipality, by ordinance, combined the water and sewer service into a single public utility, as provided by Wis. Stat. § 66.0819 of the Wisconsin Statutes?** NO**Date of Ordinance:****Are any of the utility administrative or operational functions under contract or agreement with an outside provider for the year covered by this annual report and/or current year (i.e., operation of water or sewer treatment plant)?** NO

Provide the following information regarding the provider(s) of contract services:

IDENTIFICATION AND OWNERSHIP

Firm Name:

Contact Person:

Title:

Telephone:

Fax Number:

E-mail Address:

Contract/Agreement beginning-ending dates:

Provide a brief description of the nature of Contract Operations being provided:

INCOME STATEMENT

Particulars (a)	This Year (b)	Last Year (c)	
UTILITY OPERATING INCOME			
Operating Revenues (400)	97,258	93,030	1
Operating Expenses:			
Operation and Maintenance Expense (401)	80,747	73,642	2
Depreciation Expense (403)	8,011	8,325	3
Amortization Expense (404)	0	0	4
Taxes (408)	19,463	19,573	5
Total Operating Expenses	108,221	101,540	
Net Operating Income	(10,963)	(8,510)	
Income from Utility Plant Leased to Others (412-413)	0	0	6
Utility Operating Income	(10,963)	(8,510)	
OTHER INCOME			
Income from Merchandising, Jobbing and Contract Work (415-416)	0	0	7
Nonoperating Rental Income (418)	0	0	8
Interest and Dividend Income (419)	364	696	9
Miscellaneous Nonoperating Income (421)	1,200	520	10
Total Other Income	1,564	1,216	
Total Income	(9,399)	(7,294)	
MISCELLANEOUS INCOME DEDUCTIONS			
Miscellaneous Amortization (425)	(5,870)	(5,870)	11
Other Income Deductions (426)	4,843	5,772	12
Total Miscellaneous Income Deductions	(1,027)	(98)	
Income Before Interest Charges	(8,372)	(7,196)	
INTEREST CHARGES			
Interest on Long-Term Debt (427)	0	0	13
Amortization of Debt Discount and Expense (428)	0	0	14
Amortization of Premium on Debt--Cr. (429)	0	0	15
Interest on Debt to Municipality (430)	0	0	16
Other Interest Expense (431)	0	0	17
Interest Charged to Construction--Cr. (432)	0	0	18
Total Interest Charges	0	0	
Net Income	(8,372)	(7,196)	
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216)	248,453	255,649	19
Balance Transferred from Income (433)	(8,372)	(7,196)	20
Miscellaneous Credits to Surplus (434)	680	0	21
Miscellaneous Debits to Surplus--Debit (435)	0	0	22
Appropriations of Surplus--Debit (436)	0	0	23
Appropriations of Income to Municipal Funds--Debit (439)	0	0	24
Total Unappropriated Earned Surplus End of Year (216)	240,761	248,453	

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)	
UTILITY OPERATING INCOME				
Operating Revenues (400):				
Derived	97,258		97,258	1
Total (Acct. 400):	97,258	0	97,258	
Operation and Maintenance Expense (401):				
Derived	80,747		80,747	2
Total (Acct. 401):	80,747	0	80,747	
Depreciation Expense (403):				
Derived	8,011		8,011	3
Total (Acct. 403):	8,011	0	8,011	
Amortization Expense (404):				
Derived	0		0	4
Total (Acct. 404):	0	0	0	
Taxes (408):				
Derived	19,463		19,463	5
Total (Acct. 408):	19,463	0	19,463	
Revenues from Utility Plant Leased to Others (412):				
NONE	0		0	6
Total (Acct. 412):	0	0	0	
Expenses of Utility Plant Leased to Others (413):				
NONE	0		0	7
Total (Acct. 413):	0	0	0	
TOTAL UTILITY OPERATING INCOME:	(10,963)	0	(10,963)	

OTHER INCOME**Income from Merchandising, Jobbing and Contract Work (415-416):**

Derived	0		0	8
Total (Acct. 415-416):	0	0	0	

Nonoperating Rental Income (418):

NONE	0		0	9
Total (Acct. 418):	0	0	0	

Interest and Dividend Income (419):

INTEREST INCOME	364	0	364	10
Total (Acct. 419):	364	0	364	

Miscellaneous Nonoperating Income (421):

Contributed Plant - Water		1,200	1,200	11
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INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
OTHER INCOME			
Miscellaneous Nonoperating Income (421):			
NONE	0	0	0 12
Total (Acct. 421):	0	1,200	1,200
TOTAL OTHER INCOME:	364	1,200	1,564

MISCELLANEOUS INCOME DEDUCTIONS

Miscellaneous Amortization (425):			
Regulatory Liability (253) Amortization	(5,870)		(5,870) 13
NONE	0	0	0 14
Total (Acct. 425):	(5,870)	0	(5,870)
Other Income Deductions (426):			
Depreciation Expense on Contributed Plant - Water		4,843	4,843 15
NONE	0	0	0 16
Total (Acct. 426):	0	4,843	4,843
TOTAL MISCELLANEOUS INCOME DEDUCTIONS:	(5,870)	4,843	(1,027)

INTEREST CHARGES

Interest on Long-Term Debt (427):			
Derived	0		0 17
Total (Acct. 427):	0	0	0
Amortization of Debt Discount and Expense (428):			
NONE	0		0 18
Total (Acct. 428):	0	0	0
Amortization of Premium on Debt--Cr. (429):			
NONE	0		0 19
Total (Acct. 429):	0	0	0
Interest on Debt to Municipality (430):			
Derived	0		0 20
Total (Acct. 430):	0	0	0
Other Interest Expense (431):			
Derived	0		0 21
Total (Acct. 431):	0	0	0

INCOME STATEMENT ACCOUNT DETAILS

1. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.
2. Nonregulated sewer income should be reported as Miscellaneous Nonoperating Income, Account 421.

Description of Item (a)	Earnings (216.1) (b)	Contributions (216.2) (c)	Total This Year (d)
INTEREST CHARGES			
Interest Charged to Construction--Cr. (432):			
NONE	0		0 22
Total (Acct. 432):	0	0	0
TOTAL INTEREST CHARGES:	0	0	0
NET INCOME:	(4,729)	(3,643)	(8,372)
EARNED SURPLUS			
Unappropriated Earned Surplus (Beginning of Year) (216):			
Derived	61,415	187,038	248,453 23
Total (Acct. 216):	61,415	187,038	248,453
Balance Transferred from Income (433):			
Derived	(4,729)	(3,643)	(8,372) 24
Total (Acct. 433):	(4,729)	(3,643)	(8,372)
Miscellaneous Credits to Surplus (434):			
ADJUSTMENT TO PRIOR YEAR ACCUMULATED DEPREC	680	0	680 25
Total (Acct. 434):	680	0	680
Miscellaneous Debits to Surplus--Debit (435):			
NONE	0	0	0 26
Total (Acct. 435)--Debit:	0	0	0
Appropriations of Surplus--Debit (436):			
Detail appropriations to (from) account 215			0 27
Total (Acct. 436)--Debit:	0	0	0
UNAPPROPRIATED EARNED SURPLUS (END OF YEAR):	57,366	183,395	240,761

INCOME FROM MERCHANDISING, JOBBING & CONTRACT WORK (ACCTS. 415-416)

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Revenues (account 415)					0	1
Costs and Expenses of Merchandising, Jobbing and Contract Work (416):						
Cost of merchandise sold					0	2
Payroll					0	3
Materials					0	4
Taxes					0	5
Other (list by major classes):						
NONE					0	6
Total costs and expenses	0	0	0	0	0	
Net income (or loss)	0	0	0	0	0	

REVENUES SUBJECT TO WISCONSIN REMAINDER ASSESSMENT

1. Report data necessary to calculate revenue subject to Wisconsin remainder assessment pursuant to Wis. Stat. § 196.85(2) and Wis. Admin. Code Ch. PSC 5.
2. If the sewer department is not regulated by the PSC, do not report sewer department data in column (d).

Description (a)	Water Utility (b)	Electric Utility (c)	Sewer Utility (Regulated Only) (d)	Gas Utility (e)	Total (f)	
Total operating revenues	97,258	0	0	0	97,258	1
Less: interdepartmental sales	0		0	0	0	2
Less: interdepartmental rents					0	3
Less: return on net investment in meters charged to regulated sewer department. (Do not report if nonregulated sewer.)	0				0	4
Less: uncollectibles directly expensed as reported in water acct. 904 (690 class D), sewer acct. 843, and electric acct. 904 (590 class D) -or- Net write-offs when Accumulated Provision for Uncollectible Accounts (acct. 144) is maintained					0	5
Other Increases or (Decreases) to Operating Revenues - Specify: NONE					0	6
Revenues subject to Wisconsin Remainder Assessment	97,258	0	0	0	97,258	

BALANCE SHEET

Assets and Other Debits (a)	Balance End of Year (b)	Balance First of Year (c)	
UTILITY PLANT			
Utility Plant (100)	681,427	680,024	1
Less: Accumulated Provision for Depreciation and Amortization of Utility Plant (110)	263,334	256,085	2
Net Utility Plant	418,093	423,939	
OTHER PROPERTY AND INVESTMENTS			
Nonutility Property (121)	200	200	3
Less: Accumulated Provision for Depreciation and Amortization of Nonutility Property (122)	0	0	4
Net Nonutility Property	200	200	
Investment in Municipality (123)	0	0	5
Other Investments (124)	0	0	6
Special Funds (125)	0	0	7
Total Other Property and Investments	200	200	
CURRENT AND ACCRUED ASSETS			
Cash and Working Funds (131)	24,952	20,664	8
Temporary Cash Investments (132)		12,808	9
Notes Receivable (141)	0	0	10
Customer Accounts Receivable (142)	16,468	16,200	11
Other Accounts Receivable (143)	0	0	12
Accumulated Provision for Uncollectible Accounts- -Cr. (144)	0	0	13
Receivables from Municipality (145)	1,111	3,013	14
Materials and Supplies (150)	8,063	7,736	15
Prepayments (165)	0	0	16
Other Current and Accrued Assets (170)			17
Total Current and Accrued Assets	50,594	60,421	
DEFERRED DEBITS			
Unamortized Debt Discount and Expense (181)	0	0	18
Extraordinary Property Losses (182)	0	0	19
Other Deferred Debits (183)	0	0	20
Total Deferred Debits	0	0	
Total Assets and Other Debits	468,887	484,560	

BALANCE SHEET

Liabilities and Other Credits (a)	Balance End of Year (b)	Balance First of Year (c)	
PROPRIETARY CAPITAL			
Capital Paid in by Municipality (200)	105,861	105,861	21
Appropriated Earned Surplus (215)			22
Unappropriated Earned Surplus (216)	240,761	248,453	23
Total Proprietary Capital	346,622	354,314	
LONG-TERM DEBT			
Bonds (221)	0	0	24
Advances from Municipality (223)	0	0	25
Other long-Term Debt (224)	0	0	26
Total Long-Term Debt	0	0	
CURRENT AND ACCRUED LIABILITIES			
Notes Payable (231)	0	0	27
Accounts Payable (232)		1,035	28
Payables to Municipality (233)	0	1,076	29
Customer Deposits (235)			30
Taxes Accrued (236)	16,601	16,601	31
Interest Accrued (237)	0	0	32
Other Current and Accrued Liabilities (238)			33
Total Current and Accrued Liabilities	16,601	18,712	
DEFERRED CREDITS			
Unamortized Premium on Debt (251)	0	0	34
Customer Advances for Construction (252)			35
Other Deferred Credits (253)	105,664	111,534	36
Total Deferred Credits	105,664	111,534	
OPERATING RESERVES			
Miscellaneous Operating Reserves (265)			37
Total Operating Reserves	0	0	
Total Liabilities and Other Credits	468,887	484,560	

NET UTILITY PLANT

Report utility plant accounts and related accumulated provisions for depreciation and amortization after allocation of common plant accounts and related provisions for depreciation and amortization to utility departments as of December 31.

Particulars (a)	Water (b)	Sewer (c)	Gas (d)	Electric (e)	
First of Year:					
Total Utility Plant - First of Year	680,024	0	0	0	1
<i>(Should agree with Util. Plant Jan. 1 in Property Tax Equivalent Schedule)</i>					
Plant Accounts:					
Utility Plant in Service - Financed by Utility Operations or by the Municipality (100.1)	373,044	0	0	0	2
Utility Plant in Service - Contributed Plant (100.2)	308,383	0	0	0	3
Utility Plant Purchased or Sold (391)					4
Utility Plant in Process of Reclassification (392)					5
Utility Plant Leased to Others (393)					6
Property Held for Future Use (394)					7
Construction Work in Progress (395)					8
Utility Plant Acquisition Adjustments (396)					9
Other Utility Plant Adjustments (397)					10
Total Utility Plant	681,427	0	0	0	
Accumulated Provision for Depreciation and Amortization:					
Accumulated Provision for Depreciation of Utility Plant in Service - Financed by Utility Operations or by the Municipality (110.1)	135,367	0	0	0	11
Accumulated Provision for Depreciation of Utility Plant in Service - Contributed Plant (110.2)	127,967	0	0	0	12
Total Accumulated Provision	263,334	0	0	0	
Net Utility Plant	418,093	0	0	0	

**ACCUMULATED PROVISION FOR DEPRECIATION AND
AMORTIZATION OF UTILITY PLANT ON UTILITY PLANT
FINANCED BY UTILITY OPERATIONS OR BY THE MUNICIPALITY
(ACCT. 110.1)**

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	128,278				128,278	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (403)	8,011				8,011	4
Depreciation expense on meters						5
charged to sewer (see Note 3)	712				712	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	8,723	0	0	0	8,723	16
Debits during year						17
Book cost of plant retired	954				954	18
Cost of removal					0	19
Other debits (specify):						20
ADJUSTMENT FOR PRIOR YEAR	680				680	21
					0	22
					0	23
					0	24
Total debits	1,634	0	0	0	1,634	25
Balance end of year (110.1)	135,367	0	0	0	135,367	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

ACCUMULATED PROVISION FOR DEPRECIATION AND AMORTIZATION OF UTILITY PLANT ON CONTRIBUTED PLANT IN SERVICE (ACCT. 110.2)

Depreciation Accruals (Credits) during the year (110.1):

1. Report the amounts charged in the operating sections to Depreciation Expense (403).
2. If sewer operations are nonregulated, do not report sewer depreciation on this schedule.
3. Report the Depreciation Expense on Meters charged to sewer operations as an addition in the Water column.
If the sewer is also a regulated utility by the PSC, report an equal amount as a reduction in the Sewer column.
4. Report all other accruals charged to other accounts, such as to clearing accounts.

Particulars (a)	Water (b)	(c)	(d)	(e)	Total (f)	
Balance first of year (110.1)	127,807				127,807	1
Credits During Year						2
Accruals:						3
Charged depreciation expense (426)	4,843				4,843	4
Depreciation expense on meters						5
charged to sewer (see Note 3)					0	6
Accruals charged other						7
accounts (specify):						8
					0	9
Salvage					0	10
Other credits (specify):						11
					0	12
					0	13
					0	14
					0	15
Total credits	4,843	0	0	0	4,843	16
Debits during year						17
Book cost of plant retired	4,683				4,683	18
Cost of removal					0	19
Other debits (specify):						20
					0	21
					0	22
					0	23
					0	24
Total debits	4,683	0	0	0	4,683	25
Balance end of year (110.1)	127,967	0	0	0	127,967	26
Composite Depreciation Rate?	No					27
If yes, what is the rate?						28

NET NONUTILITY PROPERTY (ACCTS. 121 & 122)

1. Report separately each item of property with a book cost of \$5,000 or more included in account 121.
2. Other items may be grouped by classes of property.
3. Describe in detail any investment in sewer department carried in this account.

Description (a)	Balance First of Year (b)	Additions During Year (c)	Deductions During Year (d)	Balance End of Year (e)	
Nonregulated sewer plant	0			0	1
Other (specify):					
Land and land rights	200			200	2
Total Nonutility Property (121)	200	0	0	200	
Less accum. prov. depr. & amort. (122)	0			0	3
Net Nonutility Property	200	0	0	200	

ACCUMULATED PROVISION FOR UNCOLLECTIBLE ACCOUNTS-CR. (ACCT. 144)

Particulars (a)	Amount (b)	
Balance first of year	0	1
Additions:		
Provision for uncollectibles during year		2
Collection of accounts previously written off: Utility Customers		3
Collection of accounts previously written off: Others		4
Total Additions	<u>0</u>	
Deductions:		
Accounts written off during the year: Utility Customers		5
Accounts written off during the year: Others		6
Total accounts written off	<u>0</u>	
Balance end of year	<u><u>0</u></u>	

MATERIALS AND SUPPLIES

Account (a)	Generation (b)	Transmission (c)	Distribution (d)	Other (e)	Total End of Year (f)	Amount Prior Year (g)	
Electric Utility							
Fuel for generation					0	0	1
Other					0	0	2
Total Electric Utility					0	0	

Account	Total End of Year	Amount Prior Year	
Electric utility total	0	0	1
Water utility	8,063	7,736	2
Sewer utility		0	3
Gas utility		0	4
Merchandise		0	5
Other materials & supplies		0	6
Total Materials and Supplies	8,063	7,736	

UNAMORTIZED DEBT DISCOUNT & EXPENSE & PREMIUM ON DEBT (ACCTS. 181 AND 251)

Report net discount and expense or premium separately for each security issue.

Debt Issue to Which Related (a)	Written Off During Year		Balance End of Year (d)	
	Amount (b)	Account Charged or Credited (c)		
Unamortized debt discount & expense (181)				
NONE				1
Total			0	
Unamortized premium on debt (251)				
NONE				2
Total			0	

CAPITAL PAID IN BY MUNICIPALITY (ACCT. 200)

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D, sewer and privates) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Amount (b)	
Balance first of year	105,861	1
Changes during year (explain):		
NONE		2
Balance end of year	105,861	

BONDS (ACCT. 221)

1. Report hereunder information required for each separate issue of bonds.
2. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.
3. Proceeds advanced by the municipality from sale of general obligation bonds, if repayable by utility, should be included in account 223.

Description of Issue (a)	Date of Issue (b)	Final Maturity Date (c)	Interest Rate (d)	Principal Amount End of Year (e)
-------------------------------------	----------------------------------	--	----------------------------------	---

NONE

NOTES PAYABLE & MISCELLANEOUS LONG-TERM DEBT

1. Report each class of debt included in Accounts 223, 224 and 231.
2. Proceeds of general obligation issues, if subject to repayment by the utility, should be included in Account 223.
3. If there is more than one interest rate for an aggregate obligation issue, average the interest rates and report one rate.

Account and Description of Obligation (a and b)	Date of Issue (c)	Final Maturity Date (d)	Interest Rate (e)	Principal Amount End of Year (f)
--	----------------------------------	--	----------------------------------	---

NONE

TAXES ACCRUED (ACCT. 236)

Particulars (a)	Amount (b)	
Balance first of year	16,601	1
Accruals:		
Charged water department expense	19,463	2
Charged electric department expense		3
Charged sewer department expense		4
Other (explain):		
NONE		5
Total Accruals and other credits	19,463	
Taxes paid during year:		
County, state and local taxes	16,601	6
Social Security taxes	2,783	7
PSC Remainder Assessment	79	8
Other (explain):		
NONE		9
Total payments and other debits	19,463	
Balance end of year	16,601	

INTEREST ACCRUED (ACCT. 237)

1. Report below interest accrued on each utility obligation.
2. Report Customer Deposits under Account 231.

Description of Issue (a)	Interest Accrued Balance First of Year (b)	Interest Accrued During Year (c)	Interest Paid During Year (d)	Interest Accrued Balance End of Year (e)	
Bonds (221)					
NONE	0			0	1
Subtotal	0	0	0	0	
Advances from Municipality (223)					
NONE	0			0	2
Subtotal	0	0	0	0	
Other long-Term Debt (224)					
NONE	0			0	3
Subtotal	0	0	0	0	
Notes Payable (231)					
NONE	0			0	4
Subtotal	0	0	0	0	
Total	0	0	0	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Investment in Municipality (123):		
NONE		1
Total (Acct. 123):	0	
Other Investments (124):		
NONE		2
Total (Acct. 124):	0	
Special Funds (125):		
NONE		3
Total (Acct. 125):	0	
Notes Receivable (141):		
NONE		4
Total (Acct. 141):	0	
Customer Accounts Receivable (142):		
Water	16,468	5
Electric		6
Sewer (Regulated)		7
Other (specify):		
NONE		8
Total (Acct. 142):	16,468	
Other Accounts Receivable (143):		
Sewer (Non-regulated)		9
Merchandising, jobbing and contract work		10
Other (specify):		
NONE		11
Total (Acct. 143):	0	
Receivables from Municipality (145):		
RECEIVABLE FROM MUNICIPALITY	1,111	12
Total (Acct. 145):	1,111	
Prepayments (165):		
NONE		13
Total (Acct. 165):	0	
Extraordinary Property Losses (182):		
NONE		14
Total (Acct. 182):	0	
Other Deferred Debits (183):		
NONE		15
Total (Acct. 183):	0	

BALANCE SHEET END-OF-YEAR ACCOUNT BALANCES

Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D) and all other lesser amounts grouped as Miscellaneous. Describe fully using other than account titles.

Particulars (a)	Balance End of Year (b)	
Payables to Municipality (233):		
NONE		16
Total (Acct. 233):	0	
Other Deferred Credits (253):		
Regulatory Liability	105,664	17
NONE		18
Total (Acct. 253):	105,664	

RETURN ON RATE BASE COMPUTATION

1. The data used in calculating rate base are averages.
2. Calculate those averages by summing the first-of-year and the end-of-year figures for each account and then dividing the sum by two.
3. Note: Do not include contributed plant in service, property held for future use, or construction work in progress with utility plant in service. These are not rate base components.

Average Rate Base (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Add Average:						
Utility Plant in Service (100.1)	369,946	0	0	0	369,946	1
Materials and Supplies	7,899	0	0	0	7,899	2
Other (specify):						
NONE					0	3
Less Average:						
Reserve for Depreciation (110.1)	131,822	0	0	0	131,822	4
Customer Advances for Construction					0	5
Regulatory Liability	108,599	0	0	0	108,599	6
NONE					0	7
Average Net Rate Base	137,424	0	0	0	137,424	
Net Operating Income	(10,963)	0	0	0	(10,963)	8
Net Operating Income as a percent of						
Average Net Rate Base	-7.98%	N/A	N/A	N/A	-7.98%	

IMPORTANT CHANGES DURING THE YEAR

Report changes of any of the following types:

NONE

FULL-TIME EMPLOYEES (FTE)

Use FTE numbers where FTE stands for full-time employees or full-time equivalency. FTE can be computed by using total hours worked/2080 hours for a fiscal year. Estimate to the nearest tenth. If an employee works part time for more than one industry then determine FTE based on estimate of hours worked per industry.

Example: An employee worked 35% of their time on electric jobs, 30% on water jobs, 20% on sewer jobs and 15% on municipal nonutility jobs. The FTE by industry would be .4 for electric, .3 for water and .2 for sewer.

Industry (a)	FTE (b)	
Water	1.4	1
Electric		2
Gas		3
Sewer	1.2	4

**REGULATORY LIABILITY - PRE-2003 HISTORICAL
ACCUMULATED DEPRECIATION ON CONTRIBUTED UTILITY
PLANT (253)**

Particulars (a)	Water (b)	Electric (c)	Sewer (d)	Gas (e)	Total (f)	
Balance First of Year	111,534	0	0	0	111,534	1
Add credits during year:						
NONE					0	2
Deduct charges:						
Miscellaneous Amortization (425)	5,870	0	0	0	5,870	3
Other (specify):						
NONE					0	4
Balance End of Year	105,664	0	0	0	105,664	

FINANCIAL SECTION FOOTNOTES

Income Statement Account Details (Page F-02)

General footnotes

Miscellaneous Nonoperating Income (421)- Contributed Plant Water: The \$1,200 contribution was for the hook up of the Elias addition service that was added in prior years and activated in 2005.

Identification and Ownership - Contacts (Page iv)

General footnotes

ACCOUNTANT'S COMPILATION REPORT

Board of Commissioners
Mellen Water Utility
Mellen, Wisconsin

We have compiled the balance sheet of Melen Water Utility as of December 31, 2005 and 2004, and the related income and earned surplus statements for the years then ended included in the accompanying Utility Annual Report in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants. We have also compiled the supplementary information presented in the Utility Annual Report.

Our compilation was limited to presenting in the form prescribed by the Public Service Commission of Wisconsin information that is the representation of management. We have not audited or reviewed the financial statements and supplementary information referred to above and, accordingly do not express an opinion or any other form of assurance on them.

These financial statements and the supplementary information are presented in accordance with the requirements of the Public Service Commission of Wisconsin, which differ from generally accepted accounting principles. Accordingly, these financial statements and supplementary information are not designed for those who are not informed about such differences.

Wipfli LLP

February 16, 2006
Rhineland, Wisconsin

WATER OPERATING REVENUES & EXPENSES

Particulars (a)	This Year (b)	Last Year (c)	
Operating Revenues			
Sales of Water			
Sales of Water (460-467)	94,592	90,829	1
Total Sales of Water	94,592	90,829	
Other Operating Revenues			
Forfeited Discounts (470)	430	456	2
Other Water Revenues (474)	2,236	1,745	3
Total Other Operating Revenues	2,666	2,201	
Total Operating Revenues	97,258	93,030	
Operation and Maintenance Expenses			
Plant Operation and Maintenance Expenses (600-660)	45,092	43,901	4
General Operating Expenses (680-690)	35,655	29,741	5
Total Operation and Maintenance Expenses	80,747	73,642	
Other Operating Expenses			
Depreciation Expense (403)	8,011	8,325	6
Amortization Expense (404)		0	7
Taxes (408)	19,463	19,573	8
Total Other Operating Expenses	27,474	27,898	
Total Operating Expenses	108,221	101,540	
NET OPERATING INCOME	(10,963)	(8,510)	

WATER OPERATING REVENUES - SALES OF WATER

1. Where customer meters record cubic feet, multiply by 7.48 to obtain number of gallons.
2. Report estimated gallons for unmetered sales.
3. Sales to multiple dwelling buildings through a single meter serving 3 or more family units should be classified commercial.
4. Account 460, Unmetered Sales to General Customers - Gallons of Water Sold should not include in any way quantity of water, i.e. metered, or measured by tank or pool volume. The quantity should be estimated based on size of pipe, flow, foot of frontage, etc. Bulk water sales should be Account 460 if the quantity is estimated and should be Account 461 if metered or measured by volume. Water related to construction should be a measured sale of water (either Account 461 or Account 464).
5. Other accounts: see application Help files for details.

Particulars (a)	Average No. Customers (b)	Thousands of Gallons of Water Sold (c)	Amounts (d)	
Operating Revenues				
Sales of Water				
Unmetered Sales to General Customers (460)				
Residential				1
Commercial				2
Industrial				3
Total Unmetered Sales to General Customers (460)	0	0	0	
Metered Sales to General Customers (461)				
Residential	322	12,063	34,212	4
Commercial	36	4,738	9,170	5
Industrial	7	8,020	9,495	6
Total Metered Sales to General Customers (461)	365	24,821	52,877	
Private Fire Protection Service (462)	3		4,609	7
Public Fire Protection Service (463)	1		34,615	8
Other Sales to Public Authorities (464)	14	835	2,491	9
Sales to Irrigation Customers (465)				10
Sales for Resale (466)		0	0	11
Interdepartmental Sales (467)				12
Total Sales of Water	383	25,656	94,592	

SALES FOR RESALE (ACCT. 466)

Use a separate line for each delivery point.

Customer Name (a)	Point of Delivery (b)	Thousands of Gallons Sold (c)	Revenues (d)
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NONE

OTHER OPERATING REVENUES (WATER)

1. Report revenues relating to each account and fully describe each item using other than the account title.
2. Report each item (when individually or when like items are combined) greater than \$10,000 (class AB), \$5,000 (class C) and \$2,000 (class D and privates) and all other lesser amounts grouped as Miscellaneous.
3. For a combined utility which also provides sewer service that is based upon water readings, report the return on net investment in meters charged to sewer department in Other Water Revenues (474).

Particulars (a)	Amount (b)	
Public Fire Protection Service (463):		
Amount billed (usually per rate schedule F-1 or Fd-1)	34,615	1
Wholesale fire protection billed		2
Amount billed for fighting fires outside utility's service areas (usually per rate schedule F-2 or BW-1)		3
Other (specify):		
NONE		4
Total Public Fire Protection Service (463)	34,615	
Forfeited Discounts (470):		
Customer late payment charges	430	5
Other (specify):		
NONE		6
Total Forfeited Discounts (470)	430	
Other Water Revenues (474):		
Return on net investment in meters charged to sewer department	639	7
Other (specify):		
HYDRANT RENTAL	293	8
RESALE	10	9
TURN ON FEES	545	10
WATER SUPPLY SALES	749	11
Total Other Water Revenues (474)	2,236	

WATER OPERATION & MAINTENANCE EXPENSES

Each expense account that has an increase or a decrease when compared to the previous year of greater than 30 percent, but not less than \$2,000, shall be fully explained in the schedule footnotes.

Particulars (a)	This Year (b)	Last Year (c)	
PLANT OPERATION AND MAINTENANCE EXPENSES			
Salaries and Wages (600)	29,474	28,164	1
Purchased Water (610)		0	2
Fuel or Power Purchased for Pumping (620)	6,629	6,961	3
Chemicals (630)	3,188	3,545	4
Supplies and Expenses (640)	3,012	3,902	5
Repairs of Water Plant (650)	1,538	127	6
Transportation Expenses (660)	1,251	1,202	7
Total Plant Operation and Maintenance Expenses	45,092	43,901	
GENERAL OPERATING EXPENSES			
Administrative and General Salaries (680)	6,970	7,612	8
Office Supplies and Expenses (681)	864	2,483	9
Outside Services Employed (682)	13,814	4,749	10
Insurance Expense (684)	3,680	3,108	11
Employees Pensions and Benefits (686)	8,082	6,544	12
Regulatory Commission Expenses (688)		0	13
Miscellaneous General Expenses (689)	2,245	5,245	14
Uncollectible Accounts (690)		0	15
Total General Operating Expenses	35,655	29,741	
Total Operation and Maintenance Expenses	80,747	73,642	

TAXES (ACCT. 408 - WATER)

When allocation of taxes is made between departments, explain method used.
--

Description of Tax (a)	Method Used to Allocate Between Departments (b)	This Year (c)	Last Year (d)	
Property Tax Equivalent		16,601	16,601	1
Less: Local and School Tax Equivalent on Meters Charged to Sewer Department		204	179	2
Net property tax equivalent		16,397	16,422	
Social Security		2,987	3,045	3
PSC Remainder Assessment		79	106	4
Other (specify): NONE			0	5
Total tax expense		19,463	19,573	

PROPERTY TAX EQUIVALENT (WATER)

1. No property tax equivalent shall be determined for sewer utilities or town sanitary district water utilities.
2. Tax rates are those issued in November (usually) of the year being reported and are available from the municipal treasurer. Report the tax rates in mills to six (6) decimal places.
3. The assessment ratio is available from the municipal treasurer. Report the ratio as a decimal to six (6) places.
4. The utility plant balance first of year should include the gross book values of plant in service (total of utility financed and contributed plant), property held for future use and construction work in progress.
5. An "other tax rate" is included in the "Net Local and School Tax Rate Calculation" to the extent that it is local. An example is a local library tax. Fully explain the rate in the Property Tax Equivalent schedule footnotes.
6. The Property Tax Equivalent to be reported for the year is determined pursuant to Wis. Stat § 66.0811(2). Report the higher of the current year calculation or the tax equivalent reported in the 1994 PSC annual report, unless, the municipality has authorized a lower amount, then that amount is reported as the property tax equivalent.
7. If the municipality has authorized a lower amount, the authorization description and date of the authorization must be reported in the Property Tax Equivalent schedule footnotes.

Particulars (a)	Units (b)	Total (c)	County A (d)	County B (e)	County C (f)	County D (g)	
County name			Ashland				1
SUMMARY OF TAX RATES							2
State tax rate	mills		0.185933				3
County tax rate	mills		4.970642				4
Local tax rate	mills		7.673700				5
School tax rate	mills		10.021712				6
Voc. school tax rate	mills		1.021713				7
Other tax rate - Local	mills		0.000000				8
Other tax rate - Non-Local	mills		0.000000				9
Total tax rate	mills		23.873700				10
Less: state credit	mills		3.340367				11
Net tax rate	mills		20.533333				12
PROPERTY TAX EQUIVALENT CALCULATION							13
Local Tax Rate	mills		7.673700				14
Combined School Tax Rate	mills		11.043425				15
Other Tax Rate - Local	mills		0.000000				16
Total Local & School Tax	mills		18.717125				17
Total Tax Rate	mills		23.873700				18
Ratio of Local and School Tax to Total	dec.		0.784006				19
Total tax net of state credit	mills		20.533333				20
Net Local and School Tax Rate	mills		16.098257				21
Utility Plant, Jan. 1	\$	680,024	680,024				22
Materials & Supplies	\$	7,736	7,736				23
Subtotal	\$	687,760	687,760				24
Less: Plant Outside Limits	\$	4,185	4,185				25
Taxable Assets	\$	683,575	683,575				26
Assessment Ratio	dec.		1.009600				27
Assessed Value	\$	690,137	690,137				28
Net Local & School Rate	mills		16.098257				29
Tax Equiv. Computed for Current Year	\$	11,110	11,110				30
Tax Equivalent per 1994 PSC Report	\$	16,601					31
Any lower tax equivalent as authorized by municipality (see note 6)	\$						32
Tax equiv. for current year (see note 6)	\$	16,601					34

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	231		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	25,795		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	26,026	0	
PUMPING PLANT			
Land and Land Rights (320)	1,973		12
Structures and Improvements (321)	16,809		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	17,174		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	175		20
Total Pumping Plant	36,131	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	1,144		23
Total Water Treatment Plant	1,144	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
INTANGIBLE PLANT				
Organization (301)			0	1
Franchises and Consents (302)			0	2
Miscellaneous Intangible Plant (303)			0	3
Total Intangible Plant	0	0	0	
SOURCE OF SUPPLY PLANT				
Land and Land Rights (310)			231	4
Structures and Improvements (311)			0	5
Collecting and Impounding Reservoirs (312)			0	6
Lake, River and Other Intakes (313)			0	7
Wells and Springs (314)			25,795	8
Infiltration Galleries and Tunnels (315)			0	9
Supply Mains (316)			0	10
Other Water Source Plant (317)			0	11
Total Source of Supply Plant	0	0	26,026	
PUMPING PLANT				
Land and Land Rights (320)			1,973	12
Structures and Improvements (321)			16,809	13
Boiler Plant Equipment (322)			0	14
Other Power Production Equipment (323)			0	15
Steam Pumping Equipment (324)			0	16
Electric Pumping Equipment (325)			17,174	17
Diesel Pumping Equipment (326)			0	18
Hydraulic Pumping Equipment (327)			0	19
Other Pumping Equipment (328)			175	20
Total Pumping Plant	0	0	36,131	
WATER TREATMENT PLANT				
Land and Land Rights (330)			0	21
Structures and Improvements (331)			0	22
Water Treatment Equipment (332)			1,144	23
Total Water Treatment Plant	0	0	1,144	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Utility or Municipality--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	150		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	16,765		26
Transmission and Distribution Mains (343)	174,981	5,900	27
Fire Mains (344)	0		28
Services (345)	18,609		29
Meters (346)	25,107	1,140	30
Hydrants (348)	48,733		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	284,345	7,040	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	1,185		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	7,156		37
Other General Equipment (379)	10,861		38
Other Tangible Property (390)	0		39
Total General Plant	19,202	0	
Total utility plant in service directly assignable	366,848	7,040	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	366,848	7,040	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Utility or Municipality--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)	
TRANSMISSION AND DISTRIBUTION PLANT				
Land and Land Rights (340)			150	24
Structures and Improvements (341)			0	25
Distribution Reservoirs and Standpipes (342)			16,765	26
Transmission and Distribution Mains (343)			180,881	27
Fire Mains (344)			0	28
Services (345)		110	18,719	29
Meters (346)	954		25,293	30
Hydrants (348)			48,733	31
Other Transmission and Distribution Plant (349)			0	32
Total Transmission and Distribution Plant	954	110	290,541	
GENERAL PLANT				
Land and Land Rights (370)			0	33
Structures and Improvements (371)			0	34
Office Furniture and Equipment (372)			1,185	35
Computer Equipment (372.1)			0	36
Transportation Equipment (373)			7,156	37
Other General Equipment (379)			10,861	38
Other Tangible Property (390)			0	39
Total General Plant	0	0	19,202	
Total utility plant in service directly assignable	954	110	373,044	
Common Utility Plant Allocated to Water Department			0	40
Total utility plant in service	954	110	373,044	

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
INTANGIBLE PLANT			
Organization (301)	0		1
Franchises and Consents (302)	0		2
Miscellaneous Intangible Plant (303)	0		3
Total Intangible Plant	0	0	
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)	0		4
Structures and Improvements (311)	0		5
Collecting and Impounding Reservoirs (312)	0		6
Lake, River and Other Intakes (313)	0		7
Wells and Springs (314)	0		8
Infiltration Galleries and Tunnels (315)	0		9
Supply Mains (316)	0		10
Other Water Source Plant (317)	0		11
Total Source of Supply Plant	0	0	
PUMPING PLANT			
Land and Land Rights (320)	0		12
Structures and Improvements (321)	0		13
Boiler Plant Equipment (322)	0		14
Other Power Production Equipment (323)	0		15
Steam Pumping Equipment (324)	0		16
Electric Pumping Equipment (325)	0		17
Diesel Pumping Equipment (326)	0		18
Hydraulic Pumping Equipment (327)	0		19
Other Pumping Equipment (328)	0		20
Total Pumping Plant	0	0	
WATER TREATMENT PLANT			
Land and Land Rights (330)	0		21
Structures and Improvements (331)	0		22
Water Treatment Equipment (332)	4,642		23
Total Water Treatment Plant	4,642	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
INTANGIBLE PLANT			
Organization (301)			0 1
Franchises and Consents (302)			0 2
Miscellaneous Intangible Plant (303)			0 3
Total Intangible Plant	0	0	0
SOURCE OF SUPPLY PLANT			
Land and Land Rights (310)			0 4
Structures and Improvements (311)			0 5
Collecting and Impounding Reservoirs (312)			0 6
Lake, River and Other Intakes (313)			0 7
Wells and Springs (314)			0 8
Infiltration Galleries and Tunnels (315)			0 9
Supply Mains (316)			0 10
Other Water Source Plant (317)			0 11
Total Source of Supply Plant	0	0	0
PUMPING PLANT			
Land and Land Rights (320)			0 12
Structures and Improvements (321)			0 13
Boiler Plant Equipment (322)			0 14
Other Power Production Equipment (323)			0 15
Steam Pumping Equipment (324)			0 16
Electric Pumping Equipment (325)			0 17
Diesel Pumping Equipment (326)			0 18
Hydraulic Pumping Equipment (327)			0 19
Other Pumping Equipment (328)			0 20
Total Pumping Plant	0	0	0
WATER TREATMENT PLANT			
Land and Land Rights (330)			0 21
Structures and Improvements (331)			0 22
Water Treatment Equipment (332)			4,642 23
Total Water Treatment Plant	0	0	4,642

WATER UTILITY PLANT IN SERVICE

--Plant Financed by Contributions--

1. All adjustments, corrections and reclassifications (including to/from plant financed by contributions) should be reported in Column (f), Adjustments.
2. Explain fully as a schedule footnote the nature of all entries reported in Column (f), Adjustments.
3. Explain as a schedule footnote the dollar additions and retirements reported in Columns (c) and (e) for each account over \$10,000. If applicable, provide construction authorization.
4. Use only the account titles listed. If the utility has subaccounts other than account 372.1, combine them into one total and detail by subaccount as a schedule footnote.

Accounts (a)	Balance First of Year (b)	Additions During Year (c)	
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)	0		24
Structures and Improvements (341)	0		25
Distribution Reservoirs and Standpipes (342)	33,561		26
Transmission and Distribution Mains (343)	248,821		27
Fire Mains (344)	0		28
Services (345)	26,152		29
Meters (346)	0		30
Hydrants (348)	0		31
Other Transmission and Distribution Plant (349)	0		32
Total Transmission and Distribution Plant	308,534	0	
GENERAL PLANT			
Land and Land Rights (370)	0		33
Structures and Improvements (371)	0		34
Office Furniture and Equipment (372)	0		35
Computer Equipment (372.1)	0		36
Transportation Equipment (373)	0		37
Other General Equipment (379)	0		38
Other Tangible Property (390)	0		39
Total General Plant	0	0	
Total utility plant in service directly assignable	313,176	0	
Common Utility Plant Allocated to Water Department	0		40
Total utility plant in service	313,176	0	

WATER UTILITY PLANT IN SERVICE (cont.)
--Plant Financed by Contributions--

Accounts (d)	Retirements During Year (e)	Adjustments Increase or (Decrease) (f)	Balance End of Year (g)
TRANSMISSION AND DISTRIBUTION PLANT			
Land and Land Rights (340)			0 24
Structures and Improvements (341)			0 25
Distribution Reservoirs and Standpipes (342)			33,561 26
Transmission and Distribution Mains (343)	4,683		244,138 27
Fire Mains (344)			0 28
Services (345)		(110)	26,042 29
Meters (346)			0 30
Hydrants (348)			0 31
Other Transmission and Distribution Plant (349)			0 32
Total Transmission and Distribution Plant	4,683	(110)	303,741
GENERAL PLANT			
Land and Land Rights (370)			0 33
Structures and Improvements (371)			0 34
Office Furniture and Equipment (372)			0 35
Computer Equipment (372.1)			0 36
Transportation Equipment (373)			0 37
Other General Equipment (379)			0 38
Other Tangible Property (390)			0 39
Total General Plant	0	0	0
Total utility plant in service directly assignable	4,683	(110)	308,383
Common Utility Plant Allocated to Water Department			0 40
Total utility plant in service	4,683	(110)	308,383

SOURCE OF SUPPLY, PUMPING AND PURCHASED WATER STATISTICS

Expanded definitions of the three types of accounted-for water reported on this schedule are included in the schedule Help and in the Reference Manual Schedule Reference Sheet.

Month (a)	Sources of Water Supply			Total Gallons All Methods (000's) (e)	
	Purchased Water Gallons (000's) (b)	Surface Water Gallons (000's) (c)	Ground Water Gallons (000's) (d)		
January			5,069	5,069	1
February			4,681	4,681	2
March			5,178	5,178	3
April			4,877	4,877	4
May			4,547	4,547	5
June			4,148	4,148	6
July			3,969	3,969	7
August			4,589	4,589	8
September			4,166	4,166	9
October			4,028	4,028	10
November			3,853	3,853	11
December			4,105	4,105	12
Total annual pumpage	0	0	53,210	53,210	
Less: Water sold				25,656	13
Volume pumped but not sold				27,554	14
Volume sold as a percent of volume pumped				48%	15
Volume used for water production, water quality and system maintenance				2,792	16
Volume related to equipment/system malfunction				6,961	17
Non-utility volume NOT included in water sales				282	18
Total volume not sold but accounted for				10,035	19
Volume pumped but unaccounted for				17,519	20
Percent of water lost				33%	21
If more than 25%, indicate causes:					22
WATER LEAKS					
If more than 25%, state what action has been taken to reduce water loss:					23
LOCATOR HIRED-LOCATED SEVERAL LEAKS WHICH WERE REPAIRED					
Maximum gallons pumped by all methods in any one day during reporting year (000 gal.)				298	24
Date of maximum: 1/23/2005					25
Cause of maximum:					26
HAD BACKUP WELL #2 PUMPING FOR THE DAY WITH WELL #3					
Minimum gallons pumped by all methods in any one day during reporting year (000 gal.)				20	27
Date of minimum: 1/22/2005					28
Total KWH used for pumping for the year				131,436	29
If water is purchased: Vendor Name:					30
Point of Delivery:					31

SOURCES OF WATER SUPPLY - GROUND WATERS

Location (a)	Identification Number (b)	Depth in feet (c)	Well Diameter in inches (d)	Yield Per Day in gallons (e)	Currently In Service? (f)	
1942 DRILLED WELL	#2	40	4	120,000	Yes	1
1968 GRAVEL PARK	#3	88	16	180,000	Yes	2

SOURCES OF WATER SUPPLY - SURFACE WATERS

Location (a)	Intakes			
	Identification Number (b)	Distance From Shore in feet (c)	Depth Below Surface in feet (d)	Diameter in inches (e)
NONE				

1

PUMPING & POWER EQUIPMENT

1. Use a separate column for each pump.
2. Indicate purpose of pump by: P for primary (from source to reservoir, treatment or distribution system), B for booster (from reservoir or treatment to distribution system, or within distribution system), or S for standby pumping equipment.
3. Indicate destination (of water pumped) by: R for reservoir, T for treatment or D for distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)	
Identification	#2	#3		1
Location	924 LAKE DRIVE	A STREET		2
Purpose	S	P		3
Destination	D	D		4
Pump Manufacturer	WEBTROL	LAYNE		5
Year Installed	1988	1968		6
Type	SUBMERSIBLE	VERTICAL TURBINE		7
Actual Capacity (gpm)	125	315		8
Pump Motor or Standby Engine Mfr	WEBTROL	U.S. ELECTRONIC		9
Year Installed	1988	1968		10
Type	ELECTRIC	ELECTRIC		11
Horsepower	10	25		12

Particulars (a)	Unit D (b)	Unit E (c)	Unit F (d)	
Identification				14
Location				15
Purpose				16
Destination				17
Pump Manufacturer				18
Year Installed				19
Type				20
Actual Capacity (gpm)				21
Pump Motor or Standby Engine Mfr				22
Year Installed				23
Type				24
Horsepower				25

RESERVOIRS, STANDPIPES & WATER TREATMENT

1. Identify as R (reservoir), S (standpipe) & ET (elevated tank).
2. Use a separate column for each using additional copies if necessary.
3. Enter elevation difference between highest water level in S or ET, (or R only on an elevated site) and the water main where the connection to the storage begins branching into the distribution system.

Particulars (a)	Unit A (b)	Unit B (c)	Unit C (d)
Identification number or name	#1	#2	1
RESERVOIRS, STANDPIPES			2
OR ELEVATED TANKS			3
Type: R (reservoir), S (standpipe) or ET (elevated tank)	S	S	4
Year constructed	1968	1968	5
Primary material (earthen, steel, concrete, other)	STEEL	STEEL	6
Elevation difference in feet (See Headnote 3.)	110	123	7
Total capacity in gallons (actual)	80,000	150,000	8
WATER TREATMENT PLANT			9
Disinfection, type of equipment (gas, liquid, powder, other)		LIQUID	10
Points of application (wellhouse, central facilities, booster station, other)		WELLHOUSE	11
Filters, type (gravity, pressure, other, none)		NONE	12
Rated capacity of filter plant (m.g.d.) (note: 1,200,000 gal/day = 1.2 m.g.d.)		0.4000	13
Is a corrosion control chemical used (yes, no)?		N	14
Is water fluoridated (yes, no)?		Y	15

WATER MAINS

1. Report mains separately by pipe material, function, diameter and either within or outside the municipal boundaries.
2. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement), or P (Plastic for plastic and all other non-metal excluding asbestos-cement).
3. Identify function as: T (Transmission), D (Distribution) or S (Supply).
4. Explain all reported adjustments as a schedule footnote.
5. For main additions reported in column (e), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If the assessments are deferred, explain.

Number of Feet								
Pipe Material (a)	Main Function (b)	Diameter in Inches (c)	First of Year (d)	Added During Year (e)	Retired During Year (f)	Adjustments Increase or (Decrease) (g)	End of Year (h)	
M	D	2.000	2,308	0	500	0	1,808	1
M	D	4.000	4,874	0	0	0	4,874	2
M	D	6.000	20,900	0	0	0	20,900	3
M	D	8.000	8,977	0	0	0	8,977	4
M	D	10.000	8,692	0	0	0	8,692	5
Total Within Municipality			45,751	0	500	0	45,251	
Total Utility			45,751	0	500	0	45,251	

WATER SERVICES

1. Explain all reported adjustments as a schedule footnote.
2. Report in column (h) the number of utility-owned services included in columns (c) through (g) which are temporarily shut off at the curb box or otherwise not in use at end of year.
3. For services added during the year in column (d), as a schedule footnote:
 - a. Explain how the additions were financed.
 - b. If assessed against property owners, explain the basis of the assessments.
 - c. If installed by a property owner or developer, explain the basis of recording the cost of the additions, the total amount and the number of services recorded under this method.
 - d. If any were financed by application of Cz-1, provide the total amount recorded and the number of services recorded under this method.
4. Report services separately by pipe material and diameter.
5. Identify pipe material as: L (Lead), M (Metal for all other metal excluding lead), A (Asbestos-cement) or P (Plastic for plastic and all other non-metal excluding asbestos-cement).

Pipe Material (a)	Diameter in Inches (b)	First of Year (c)	Added During Year (d)	Removed or Permanently Disconnected During Year (e)	Adjustments Increase or (Decrease) (f)	End of Year (g)	Utility Owned Services Not In Use at End of Year (h)	
M	0.750	192	0	0	1	193	15	1
L	0.750	175	0	0	0	175		2
M	1.000	20	0	0	0	20		3
M	2.000	5	0	0	0	5		4
M	3.000	2	0	0	0	2	1	5
M	4.000	1	0	0	0	1		6
Total Utility		395	0	0	1	396	16	

METERS

1. Include in Columns (b), (c), (d), (e) and (f) meters in stock as well as those in service.
2. Report in Column (c) all meters purchased during the year and in Column (d) all meters junked, sold or otherwise permanently retired during the year.
3. Use Column (e) to show correction to previously reported meter count because of inventory or property record corrections.
4. Totals by size in Column (f) should equal same size totals in Column (o).
5. Explain all reported adjustments as a schedule footnote.

Number of Utility-Owned Meters

Size of Meter (a)	First of Year (b)	Added During Year (c)	Retired During Year (d)	Adjustments Increase or (Decrease) (e)	End of Year (f)	Tested During Year (g)	
0.625	406	12	16	7	409	48	1
1.000	6	0	0	1	7	0	2
1.250	1	0	0	1	2	0	3
1.500	0	0	0	1	1	0	4
2.000	5	0	0	0	5	1	5
3.000	2	0	0	1	3	1	6
4.000	1	0	0	0	1	1	7
Total:	421	12	16	11	428	51	

Classification of All Meters at End of Year by Customers

Size of Meter (h)	Residential (i)	Commercial (j)	Industrial (k)	Public Authority (l)	Wholesale, Inter-Department or Utility Use (m)	In Stock and Deduct Meters (n)	Total (o)	
0.625	317	27	2	5	0	58	409	1
1.000	0	4	1	1	0	1	7	2
1.250	0	1	0	0	0	1	2	3
1.500	0	0	0	0	0	1	1	4
2.000	0	2	3	0	0	0	5	5
3.000	0	1	1	1	0	0	3	6
4.000	0	0	0	1	0	0	1	7
Total:	317	35	7	8	0	61	428	

HYDRANTS AND DISTRIBUTION SYSTEM VALVES

1. Distinguish between fire and flushing hydrants by lead size.
 - a. Fire hydrants normally have a lead size of 6 inches or greater.
 - b. Record as a flushing hydrant where the lead size is less than 6 inches or if pressure is inadequate to provide fire flow.
2. Explain all reported adjustments in the schedule footnotes.
3. Report fire hydrants as within or outside the municipal boundaries.

Hydrant Type (a)	Number In Service First of Year (b)	Added During Year (c)	Removed During Year (d)	Adjustments Increase or (Decrease) (e)	Number In Service End of Year (f)	
Fire Hydrants						
Outside of Municipality	1				1	1
Within Municipality	51				51	2
Total Fire Hydrants	52	0	0	0	52	
Flushing Hydrants						
	1				1	3
Total Flushing Hydrants	1	0	0	0	1	

NR811.08(5) recommends that a schedule shall be adopted and followed for operating each system valve and hydrant at least once each two years. Please provide the number operated during the year.

Number of hydrants operated during year:	40
Number of distribution system valves end of year:	56
Number of distribution valves operated during year:	36

WATER OPERATING SECTION FOOTNOTES

Water Operation & Maintenance Expenses (Page W-05)

For values that represent an increase or a decrease when compared to the previous year of greater than 30%, but not less \$2,000, please explain.

Outside Services (682) increased due to DNR requirements requiring increased water testing.

Water Utility Plant in Service --Plant Financed by Utility or Municipality-- (Page W-08)

If Adjustments for any account are nonzero, please explain.

The Adjustment to Services is to reclass 110.00 recorded in 2004 on the Plant Financed by Contributions schedule that should have been recorded as financed by the Utility.

If Plant in Service Additions, Accounts 316 or 343, are greater than zero AND Additions on the Mains schedule are zero, please explain.

Additions of \$5900.00 were added for paving completed in 2005 for actual main footage that was added in 2004. No current year footage was added.

Water Utility Plant in Service --Plant Financed by Contributions-- (Page W-10)

If Adjustments for any account are nonzero, please explain.

The adjustment to services is to reclass dollars that were recorded as contributed in 2004 in error. The \$110 should be recorded as financed by the Utility.

Water Services (Page W-18)

Explain all reported Adjustments.

Adjustment was for the Elias additon that was omitted from the service count in the prior years report

Meters (Page W-19)

Explain all reported adjustments.

Adjustments to the utility owned meter schedule are to adjust to the physical count taken by the utility. Also meters junked in previous years were repaired and put back into stock.

Ss. PSC 185.83(2) states "Station meters shall be maintained to ensure reasonable accuracy and shall have the accuracy checked at least once every 2 years." Are all station meters being tested every two years? Answer yes or no. If no, please explain.

Yes
